

IN THE CIRCUIT COURT OF DAVIDSON COUNTY, TENNESSEE
FOR THE TWENTIETH JUDICIAL DISTRICT AT NASHVILLE

STATE OF TENNESSEE,)	
)	
Petitioner,)	
v.)	No. _____
)	
FAIRFIELD GLADE COMMUNITY CLUB,)	
a Tennessee nonprofit corporation,)	
)	
Respondent.)	

PETITION

Paul G. Summers, Attorney General and Reporter for the State of Tennessee, (hereinafter “Attorney General”), files this Petition pursuant to Tenn. Code Ann. § 47-18-107 of the Tennessee Consumer Protection Act of 1977 (hereinafter “the Act”), and respectfully shows the Court as follows:

1. The Division of Consumer Affairs of the Tennessee Department of Commerce and Insurance (hereinafter “the Division”) and the Attorney General, acting pursuant to the Act, have investigated certain acts and practices of Fairfield Glade Community Club, (“Community Club” or “FGCC”). The Community Club is the property owners’ association at a resort, retirement community developed by Fairfield Resorts, Inc., located near Crossville, Tennessee. Fairfield Glade Community Club is a Tennessee nonprofit corporation.

2. Fairfield Resorts, Inc., has entered into a separate Assurance of Voluntary Compliance with the State of Tennessee. See, *State of Tennessee v. Fairfield Resorts, Inc.*, Case No. 06-C-2253, Davidson County Circuit Court, Part III, (August 29, 2006).

3. The Community Club has provided, operated and maintained various amenities, *e.g.*, golf courses, a fitness center and swimming pools, which are available for the resident home owners and also available to others for an additional fee.

4. Upon completion of such investigation, the Division has reason to believe that certain of Respondents' acts and practices, more specifically described in Paragraph 5 of this Petition, are violations of the Tennessee Consumer Protection Act of 1977, Tenn. Code Ann. §§ 47-18-104 (a), (b) (5), (b) (7) and (b) (27).

5. Based upon their investigation of Respondent, the Division and the Attorney General allege the following:

- (A) Respondent failed to clearly and conspicuously and adequately disclose, at the time a consumer purchased a lot, that the Respondent would foreclose without authority on real estate lots when assessments were in arrears on the particular lot, notwithstanding the fact that the full purchase price had been paid for the lot to the developer, Fairfield Resorts, Inc.;
- (B) Respondent represented to the lot owners that future development was going to occur, when in fact, such was not the case;
- (C) Respondent continued to collect assessments even after the original plan for the retirement community had been abandoned; and
- (D) Respondent used assessments paid primarily by nonresident members with undeveloped lots for the upkeep of improvements and amenities used on a regular basis by residents.

6. Respondent's conduct described above constitutes unfair and deceptive acts or practices.

7. Respondent denies all allegations of the State.
8. Upon completion of its investigation, the Division requested that the Attorney General negotiate, and if possible accept, an Assurance of Voluntary Compliance in accordance with the provisions set forth in Tenn. Code Ann. § 47-18-107.
9. The Attorney General entered into negotiations with Respondent and the parties have agreed to, and the Division has approved, the Assurance of Voluntary Compliance filed contemporaneously herewith.
10. In accordance with the provisions of Tenn. Code Ann. § 47-18-107(c), the execution, delivery and filing of the Assurance does not constitute an admission of prior violation of the Act.
12. The Division, the Attorney General, and the Respondent have jointly agreed to the Assurance of Voluntary Compliance and join in its filing.

PREMISES CONSIDERED, Petitioner prays

1. That this Petition be filed without cost bond pursuant to the provisions of Tenn. Code Ann. §§ 20-13-101 and 47-18-116.
2. That the Assurance of Voluntary Compliance be approved and filed in accordance with the provisions of the Tennessee Consumer Protection Act.

Respectfully submitted,

PAUL G. SUMMERS, B.P.R. 6285
Attorney General

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